	Rate of Cess
(i) The Agriculture Produce Cess Act, 1940	0.5 Ad Valorem
(ii) The Spices Cess Act, 1986	
a) Spices in raw form	2% AD Valorem
b) Spices in the form of curry powder, spice oils & oleoresina other mixtures where spice content is predominant	1% Ad Valorem

Reveiw of taxation burden on exports, including cess, is an ongoing process and as and when considered necessary, exemptions on specified items are notified with a view to make our agricultural exports more competitive in the international market.

Cess on export of pepper (except green pepper in brine), cardamom, saffron and spice oils and oleoresins has been exempted.

Profit earned by SBI/Nationalised Banks

1708. SHRI MADHAVRAO SCINDIA :

SHRI SATYAJITSINH DULIPSINH GAEKWAD:

Will the Minister of FINANCE be pleased to state:

(a) whether Nationalised Banks including the State Bank of India have earned considerably high profits during 1996-97;

(b) if so, the details thereof, indicating the corresponding figures of the preceding two years;

(c) how far the increase in profits is attributable to decrease in the rate of interest on depositors, money, including small-savings and term deposits; and

(d) the reasons for anti-depositors and anti-savings policies of the banks, aimed at serving the interests of the business and trade?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) and (b) As reported by Reserve Bank of India (RBI), the operating profit/net profit/ loss of public sector banks for the years 1996-97, 1995-96 and 1994-95 are given below:

(Amt. in Rs. crores)

Year	Operating Profit	Net Profit
1996-97*	8909.02	3009.58
1995-96	7568.87	(–)371.36
1994-95	5628.33	1115.82

(–) indicates loss

- figures for 1996-97 are provisional.

(c) and (d) According to Reserve Bank of India (RBI) the increase in the profit of public sector banks is not attributable to the decrease in the rate of interest on depositor's money including small savings and term-deposits but is on account of number of factors such as better fund management, reduction in provisions for NPAs, writing back of excess depreciation on investments due to lowering of YTM on approved securities, recovery of NPAs etc.

RBI have further reported that they have not conducted any specific study on the impact of lowering of deposits/ lending rates on the profitability of banks.

Primary Capital Market

1709. SHRI SANAT MEHTA : Will the Minister of FINANCE be pleased to state :

(a) the total capital mobilised from Primary Capital Market by various types of issues and bonds during each of the last three years;

(b) the reasons for lower capital mobilisation; and

(c) the steps taken by the Government to boost the capital market?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) Based on the information furnished by the Securities and Exchange Board of India (SEBI) the total capital mobilised from primary market by various instruments during the last three years is given below :-

	1994-95		1995-96		1996-97	
	No.	Amount (Cr.)	No.	Amount (Cr.)	No.	Amount (Cr.)
1	2	3	4	5	6	7
Equity	1593	17969.90	1661	14684.88	843	7844.42
Par	(942)	(5529.09)	(1181)	(4958.21)	(695)	(3432.63)
Premium	(651)	(12440.81)	(480)	(9726.67)	(148)	(4411.79)
CCPs	07	124.30	08	145.16	05	74.92